

OFFICIAL FILE

ILLINOIS COMMERCE COMMISSION  
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205-574-2761

2005 MAR 30 P 3:22  
March 30, 2005

ORIGINAL

Ms. Elizabeth A. Rolando, Chief Clerk  
Illinois Commerce Commission  
527 East Capitol Avenue  
Springfield, IL 62701

05-0103  
Report

**RE: Annual Report – Central Illinois Light Company d/b/a AmerenCILCO  
Rider Tar – Recovery of Coal Tar Costs**



Dear Ms. Rolando:

Attached is the original and one copy of the Annual Report required by the Terms of CILCO's Rider Tar – Recovery of Coal Tar Costs (Ill. C. C. No. 17, Sheet Nos. 13, 13.001, 13.002, 13.003, 13.004 and 13.005).

This Annual Report covers rider activity and cost reconciliation for 2004.

Please return the additional copy of this letter stamped with the date of filing.

Sincerely,

*William M Warwick*

William M. Warwick, Managing Supervisor  
Rate Engineering & Analysis

WMW/cic  
Attachment

**Union Electric Company d/b/a AmerenUE  
Electric and Gas Environmental Adjustment Clauses  
Annual Report for 2004**

**INTRODUCTION**

In accordance with UE riders on file with and approved by the Illinois Commerce Commission designated as the RIDER R ELECTRIC ENVIRONMENTAL ADJUSTMENT CLAUSE (EEAC) and the RIDER E GAS ENVIRONMENTAL ADJUSTMENT CLAUSE (GEAC), UE is filing this Annual Report which summarizes costs and recoveries for 2004. This Report provides a reconciliation between the Proportional Costs to be recovered through the EEAC Factor and the GEAC Factor, respectively, and the actual EEAC revenue and GEAC revenue, respectively, for the immediately preceding Annual Recovery Period (calendar year 2004). This report also provides a summary of UE's Environmental Remediation Activities.

**RECONCILIATION**

Attached to this report are exhibits which provide the reconciliation of Proportional Costs and revenues for the Annual Recovery Period.

Exhibit 1.0	Reconciliation of Revenues Collected and Proportional Costs
Exhibit 2.0	Incremental Costs and Carrying Charges
Exhibit 3.0	Total Recoveries
Exhibit 4.0	Cumulative EEAC and GEAC Revenues by Class

**SUMMARY OF UE'S ENVIRONMENTAL REMEDIATION ACTIVITIES**

In 1986 UE was informed by the Illinois Environmental Protection Agency (IEPA) that, in the process of installing an underground storage tank, a contractor had discovered the presence of a viscous, aromatic, tar-like substance at a property in Alton, Illinois. Installation of the underground tank was cancelled. This property was the site of a local Post Office.

At IEPA's request, UE began an internal investigation and determined that the location was the site of a former manufactured gas plant (MGP) previously owned by UE. After further meetings with IEPA, UE agreed to perform an investigation to determine if the substance found was from the MGP operations.

Over the next several years, UE hired various consultants and experts to provide advice and to perform various phased investigations to determine the extent and impact of any remaining residual MGP process byproducts.

The investigations were completed and a report and risk assessment were submitted to IEPA in early 1991. This information concluded that residual byproducts were in fact present in the sub-surface environment. However, it also concluded that these materials were not migrating off site to any significant degree and that the existing Post Office and parking lot provided an effective barrier to any human exposure.

Recent changes to Federal and State regulations which cover the remedial options available for the site have taken effect. These changes to the regulations require a re-evaluation of the information previously submitted to the IEPA for review. These regulations allow for various management techniques to manage site risk. UE purchased the property to have the ability to restrict property uses and maintain engineering barriers.

UE plans to begin clean up of the Alton site in 2005, and will continue through 2006.

**UNION ELECTRIC COMPANY d/b/a AmerenUE**  
**Reconciliation of Revenues Collected and Proportional Costs**  
**For the Period January 1, 2004 Through December 31, 2004**

Alton Site:

<b>Actual EEAC Revenues</b>												
Rate Class	January	February	March	April	May	June	July	August	September	October	November	December
Residential Electric:	\$3,270.85	\$3,219.33	\$2,520.85	\$2,219.79	\$2,831.45	\$3,826.63	\$5,066.56	\$5,332.92	\$3,810.86	\$2,834.55	\$794.56	\$4,197.23
Commercial Electric:	\$1,274.64	\$4,688.84	\$12,190.32	\$3,008.46	\$7,758.35	(\$5,134.80)	\$5,213.81	(\$7,989.39)	\$9,379.59	(\$6,361.52)	\$12,228.01	(\$6,042.98)
Industrial Electric:	(\$51,443.91)	\$5,194.97	\$16,748.55	\$48,235.10	\$13,361.34	\$28,436.08	(\$17,997.31)	\$18,093.34	(\$34,439.49)	\$31,852.23	(\$36,369.24)	\$54,262.71
Municipal:	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>Total</b>	<b>(\$46,898.44)</b>	<b>\$13,103.14</b>	<b>\$31,480.72</b>	<b>\$51,523.35</b>	<b>\$23,951.14</b>	<b>\$27,127.91</b>	<b>(\$7,726.94)</b>	<b>\$15,436.87</b>	<b>(\$21,249.02)</b>	<b>\$28,325.26</b>	<b>(\$23,346.67)</b>	<b>\$50,416.96</b>
												<b>\$142,124.28</b>

<b>Actual GEAC Revenues</b>												
Rate Class	January	February	March	April	May	June	July	August	September	October	November	December
Residential:	\$1,341.04	\$2,348.99	\$2,624.95	\$2,353.66	\$36,724.64	(\$1,929.38)	(\$38,753.26)	\$797.92	\$3,945.01	\$786.00	\$838.18	\$2,293.77
Commercial:	\$415.75	\$830.14	\$915.56	\$1,785.48	(\$244.43)	(\$11,694.28)	\$3,701.06	\$9,785.41	(\$1,831.95)	\$875.84	(\$12.86)	\$1,511.91
Industrial:	\$101.63	\$257.80	\$378.31	\$426.74	\$206.90	(\$1,422.78)	(\$47.98)	\$3,334.92	\$5.99	(\$2,410.69)	\$324.95	\$660.52
<b>Total</b>	<b>\$1,858.42</b>	<b>\$3,436.93</b>	<b>\$3,918.82</b>	<b>\$4,565.88</b>	<b>\$36,687.11</b>	<b>(\$15,046.44)</b>	<b>(\$35,100.18)</b>	<b>\$13,918.15</b>	<b>\$2,119.05</b>	<b>(\$948.85)</b>	<b>\$1,150.27</b>	<b>\$4,466.20</b>
												<b>\$21,025.36</b>

<b>Insurance Recoveries</b>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
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<b>Total Collections</b>	<b>(\$45,040.02)</b>	<b>\$16,540.07</b>	<b>\$35,379.54</b>	<b>\$56,089.23</b>	<b>\$60,638.25</b>	<b>\$12,081.47</b>	<b>(\$42,827.12)</b>	<b>\$29,355.02</b>	<b>(\$19,129.97)</b>	<b>\$27,376.41</b>	<b>(\$22,196.40)</b>	<b>\$54,883.16</b>
												<b>\$163,149.84</b>

<b>Actual Clean-up Costs</b>	0.00	0.00	(3,083.33)	185.03	(3,083.33)	18,777.33	12,856.87	11,642.68	1,867.34	3,139.56	4,795.50	9,339.46
												<b>\$6,417.11</b>

<b>Calendar Over/(Under) Recovery</b>	<b>(\$45,040.02)</b>	<b>\$16,540.07</b>	<b>\$38,462.87</b>	<b>\$55,924.20</b>	<b>\$63,721.58</b>	<b>(\$6,695.86)</b>	<b>(\$55,683.99)</b>	<b>\$17,712.34</b>	<b>(\$20,997.31)</b>	<b>\$24,236.85</b>	<b>(\$26,991.90)</b>	<b>\$45,543.70</b>
												<b>\$106,732.53</b>

<b>Cost of Capital:</b>												
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<b>2004 Carrying Charges:</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
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<b>2003 Cumulative Costs</b>	762,239.44											
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<b>2003 Cumulative Carry Chgs:</b>	50,501.12											
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<b>2003 Cumulative Recoveries:</b>	877,991.50											
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**Exhibit 2.0**

Union Electric Company d/b/a AmerenUE  
Incremental Costs and Carrying Charges  
At December 31, 2004

**Alton Site**

	<u>Incremental Costs</u>	<u>Carrying Charges</u>	<u>Total</u>
Cumulative Incremental Costs and Carrying Charges through December 31, 2003	* \$762,238	\$50,501	\$812,739
2004 Incremental Costs and Carrying Charges	<u>\$56,417</u>	<u>\$0</u>	<u>\$56,417</u>
Cumulative Incremental Costs and Carrying Charges at December 31, 2004	<u>\$818,655</u>	<u>\$50,501</u>	<u>\$869,156</u>

**Exhibit 3.0**

**Union Electric Company d/b/a AmerenUE  
Total Recoveries  
At December 31, 2004**

<u>Alton Site</u>	<u>Amount</u>
Cumulative Recoveries through December 31, 2003	\$ 877,992
2004 Recoveries (Net Refunds)	\$ 163,149
Cumulative Recoveries through December 31, 2004	\$ 1,041,141
Cumulative Costs Incurred through December 31, 2004	<u>\$ 869,156</u>
Over-(Under) Recovery at December 31, 2004	<u><u>\$ 171,986</u></u>

## Exhibit 4.0

**UNION ELECTRIC COMPANY d/b/a AmerenUE**  
**Cumulative EEAC and GEAC Revenues by Class**  
**At 12/31/04**

Alton Site:

**Actual EEAC Revenues**

<u>Rate Class</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>Total</u>
Residential	\$114,508.17	\$9,293.21	(\$3,852.55)	\$10,802.64	(\$4,057.17)	(\$622.27)	\$12,070.29	\$87,153.91	\$39,915.58	\$265,211.81
Commercial	\$43,100.53	\$2,210.43	(\$1,411.48)	\$4,740.52	(\$5,500.47)	(\$1,585.95)	\$9,017.73	\$78,839.63	\$28,213.33	\$157,624.26
Industrial	\$262,104.12	(\$5,525.07)	(\$7,005.69)	\$22,310.51	(\$2,269.94)	(\$2,596.14)	\$9,296.14	\$150,683.62	\$73,995.37	\$500,992.91
Municipal	\$0.00	\$0.00	\$0.00	\$0.00	\$15.05	(\$10.43)	\$48.05	\$0.00	\$0.00	\$52.67
Total	\$419,712.82	\$5,978.57	(\$12,269.73)	\$37,853.68	(\$11,812.54)	(\$4,814.79)	\$30,432.21	\$316,677.16	\$142,124.28	\$923,881.66

**Actual GEAC Revenues**

<u>Rate Class</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>Total</u>
Residential	\$28,217.92	\$7,629.94	(\$86.52)	\$3,473.31	(\$631.15)	(\$335.20)	\$4,435.39	\$27,876.86	\$13,371.52	\$83,952.07
Commercial	\$2,278.99	\$1,316.81	(\$35.89)	\$1,454.56	(\$220.63)	(\$109.26)	\$1,536.93	\$11,591.75	\$5,837.63	\$23,650.89
Industrial	\$3,951.73	(\$124.61)	(\$87.98)	\$251.39	(\$204.63)	(\$125.17)	\$588.02	\$3,591.63	\$1,816.21	\$9,656.59
Total	\$34,448.64	\$8,822.14	(\$210.40)	\$5,179.26	(\$1,056.40)	(\$569.63)	\$6,560.34	\$43,060.24	\$21,025.36	\$117,259.55

**Annual Environmental Revenues**

\$454,161.46	\$14,800.71	(\$12,480.13)	\$43,032.93	(\$12,868.94)	(\$5,384.42)	\$36,992.55	\$359,737.40	\$163,149.64	\$1,041,141.21
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